AMENDMENTS TO THE CLAIMS

Claims 1-7 (Canceled)

8. (currently amended) An interactive magnetic book and display system, comprising:

a display board having a book receiving section and at least one card receiving section, said book and card receiving sections being separated from one another;

a plurality of magnets positioned beneath a top surface of said display board only in said book receiving section and said at least one card receiving section;

a book having a story text imprinted therein and a first set of distinctive markings imprinted therein at predetermined locations in said story text;

wherein said book includes front and back covers having metallic elements positioned beneath respective first surfaces thereof, said metallic elements being configured to be magnetically drawn to corresponding magnets of said plurality of magnets of said display board when said front and back covers are positioned on said book receiving section; and

a set of cards having a second set of distinctive markings imprinted on respective cards, said second set of distinctive markings corresponding to said first set of distinctive markings, said set of cards being ordered such that said second set of distinctive markings are encountered in the same order as said first set of distinctive markings are encountered in said story text.

9. (original) The system as in claim 8 wherein each of said set of cards includes:

a card first surface; and

a card metallic element positioned beneath said card first surface such that said card metallic element is magnetically drawn to a corresponding magnet of said plurality of magnets when said card metallic element is positioned within said card receiving section of said display board.

10. (original) The system as in claim 8 wherein each of said plurality of cards includes a barcode imprinted thereon; said system further comprising:

a central processing unit ("CPU");

means coupled to said CPU for communicating a selected barcode from a respective card to said CPU; and

means in said CPU for processing said selected barcode and generating an output signal corresponding to said selected barcode.

11. (original) The system as in claim 8 wherein each of said plurality of magnets includes a disk-shaped configuration.

Claims 12-14 (canceled)

15. (new) An interactive magnetic book and display system, comprising:

a display board having a book receiving section and at least one card receiving section, said book and card receiving sections being separated from one another;

at least one divider partition for separating said book and card receiving sections;

a plurality of magnets positioned beneath a top surface of said display board only in said book receiving section and said at least one card receiving section;

a book having a story text imprinted therein and a first set of distinctive markings imprinted therein at predetermined locations in said story text;

wherein said book includes front and back covers having metallic elements positioned beneath respective first surfaces thereof, said metallic elements being configured to be magnetically drawn to corresponding magnets of said plurality of magnets of said display board when said front and back covers are positioned on said book receiving section; and

a set of cards having a second set of distinctive markings imprinted on respective cards, said second set of distinctive markings corresponding to said first set of distinctive markings, said set of cards being ordered such that said second set of distinctive markings are encountered in the same order as said first set of distinctive markings are encountered in said story text.

16. (new) The system as in claim 15 wherein each of said set of cards includes a barcode imprinted thereon; said system further comprising:

a central processing unit ("CPU");

means coupled to said CPU for communicating a selected barcode from a respective card to said CPU; and

means in said CPU for processing said selected barcode and generating an output signal corresponding to said selected barcode.